

EVERGREEN LINE RAPID TRANSIT PROJECT

Interim Report of the Fairness Reviewer: RFP Technical Submittals

I have acted as Fairness Reviewer for the Evergreen Line Rapid Transit Project (the "Project") throughout the procurement process to date. My mandate is to act as an independent observer, and report to the Project Board on whether the Project team has materially complied with the procurement and decision processes set out in the RFP, and implemented those processes in accordance with reasonable standards of fairness as established by the RFP.

I have previously reported on the RFQ for the Project. The Project team has now completed evaluation of technical submittals received under the Project's Request For Proposals ("RFP"). I intend to provide a final report upon completion of the competitive selection process, however I am pleased at this time to confirm the following:

- The Project team has continued to ensure that I have the opportunity to provide input on the contents of Project documents (including the RFP and evaluation materials).
- The Project team has provided me with copies of all correspondence between the Project team and proponents (including requests for information from Proponents, and requests by the team for clarification concerning submittals).
- I have had full access to the submittals to the RFP, and to the premises where submittals were received and evaluated (including the opportunity at any time to speak with all Project staff including managers, evaluators and their advisors).
- I have been informed of and invited to attend all meetings held by the Project team with Proponents (including bilateral discussion meetings, topic meetings, and other meetings associated with the process); meetings with third parties where appropriate (including meetings related to negotiation of the Base Supply Contract and the Framework Agreement with Thales); and internal team meetings at which major steps or decisions in the process were discussed, meetings of the Due Diligence Committee, and meetings of the evaluation teams and Evaluation Committee (including those at which proposals were discussed and evaluated). I attended such meetings as I felt were necessary to carry out my role.

During the RFP process, I have observed that the Project team has when necessary discussed and instructed itself appropriately on matters related to fairness. Periodically, I have been asked for, or have offered, comments on fairness issues. In each such case, the Project team has carefully considered my advice and I have been satisfied with the resolution of the matter.

Based on my observations, I am satisfied that the procurement processes of the Project were reasonable, and have been fairly implemented by the Project team, in accordance with the RFP and other procurement documents. I have no concerns for the attention of the Project Board.

Based on all of my observations above, I am satisfied that the Project team has materially and consistently complied with the procurement and decision processes set out in the RFP, and implemented those processes in accordance with reasonable standards of fairness as established by the RFP.

Signed at Vancouver, July 12, 2012.

Jane Shackel, C.E.